



U.S. Department of Justice

Federal Bureau of Investigation

NEW YORK, N.Y. 10278

In Reply, Please Refer to
File No.

June 3, 1993

Bonanno La Cosa Nostra Family
Racketeering Enterprise Investigation

New York City is home to the five leading La Cosa Nostra (LCN) Crime Families in the United States. The New York Office of the Federal Bureau of Investigation (FBI) is conducting a Racketeering Enterprise Investigation (REI) of the Bonanno LCN Crime Family, among others.

The Bonanno LCN Family continues to be involved in narcotics trafficking, murder, loansharking, money laundering, gambling, labor racketeering, and the infiltration of legitimate businesses, and interacts with the other four New York LCN Families. These illegal activities are currently being traced to Bonanno members located throughout the United States, Canada, Italy, and Sicily.

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[redacted] of the Bonanno LCN Family is [redacted]
[redacted] who was released from prison on November 13, 1992.
His [redacted]
Anthony Spero is the Family's Consigliere.

Current Activities

During [redacted] incarceration, [redacted] met weekly with the Family's Capos at a social club in Queens, New York. In February, 1992, a search warrant was executed at this location during one of these meetings. Cash and records were seized. Since the February raid, this location has been abandoned as a meeting place by the Bonanno Family. In the period since this raid, the Family has been far more observant of the traditional chain-of-command; associates have met with soldiers, who met in turn with their Capos, and so on.

New York continues its investigation of the activities of the Sicilian faction of the Family. Search warrants have been executed at a number of businesses controlled by the faction, including coffee houses, a vending machine company and related ventures. Records seized to date indicate a variety of business interests controlled by the faction and extensive loansharking and gambling activity.

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Specifically, [redacted] the FBI in obtaining federal court orders for pen register coverage and related trap and trace coverage (within the state of Arizona) on three telephone numbers in Tucson:

1. [redacted] [redacted]
Tucson, Arizona
2. [redacted] [redacted]
Tucson, Arizona
3. [redacted] [redacted]
Tucson, Arizona

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[redacted]

Investigator [redacted]

[redacted] in Phoenix to conduct full analysis of information acquired from the pen register and trap and trace coverage.

[redacted] investigation with the FBI.

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[redacted] related that FBI Phoenix is currently assisting [redacted] local authorities in Maricopa County in a similar operation, which, in fact, relates to subject of current interest [redacted] in this request.

[redacted] if possible, would desire the initiation of this pen register coverage [redacted]

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Bonanno La Cosa Nostra Family

[redacted] Bonanno LCN Family Capo, continues to operate a large drug trafficking network and gambling and loansharking operations, and continues his involvement in video poker machines.

Acting Capo [redacted] was convicted after trial on charges of racketeering and murder. Although [redacted] faced a Federal death penalty in the case, he was ultimately sentenced to multiple life sentences.

[redacted] a close associate of Anthony Spero's, was identified by a top level cooperating witness as a capo in the Bonanno LCN Family. Although the extent of [redacted] activities is unknown, he is constantly in Spero's company. As Spero maintains interests in radio car and vending machine businesses, the possibility exists that [redacted] may be involved in these industries, as well.

[redacted] Bonanno LCN Family Capo, is involved in loansharking and gambling, and is thought to be the liaison between the Sicilian and American factions of the Family.

[redacted] Bonanno LCN Family Capo, and members of his crew are extensively involved in narcotics trafficking, money laundering, gambling, loansharking, labor racketeering and the negotiation of fraudulent financial instruments.

[redacted] are still carried as Capos, but the extent of their activities is believed limited at this time.

Bonanno LCN Family Soldiers

In addition to [redacted] the following individuals have been added to the LCN Index as "made" members of the Bonanno LCN Family: [redacted]
[redacted]

A number of individuals who are related to long-time Bonanno members or associates were reportedly "made" in the recent past, although sufficient information to include them in the LCN Index has yet to be developed. These include: Jerome V. Asaro,
[redacted]
[redacted]

Bonanno La Cosa Nostra Family

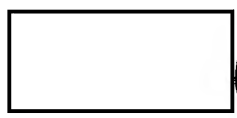
Summary

Considering the size and complexity of the Bonanno LCN Family and its diverse criminal activities it is necessary to maintain this REI to analyze, coordinate, and retrieve the information collected. This will enable New York to continue to determine the extent of the Family's criminal activities, membership, associations, and hierarchy within the Family; and will facilitate the evaluation of information as to whether or not it is sufficient to justify the opening of separate substantive cases.

92A-PX-46584-76

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 15 1995	
FBI — PHOENIX	

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

The following investigation was conducted by Special Agents (SAs) [redacted] and [redacted] of the FEDERAL BUREAU OF INVESTIGATION (FBI) at Phoenix, Arizona:

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On [redacted] stated he attempted to meet with SALVATORE BONANNO, ~~REDACTED~~, several years ago without success. Source stated SALVATORE BONANNO had business interests in Los Angeles, California.

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[redacted] advised [redacted] is a close associate of JOSEPH BONANNO, SR., Tucson, Arizona. Source described [redacted] as being a [redacted] who was extremely intelligent. [redacted] stated it is common knowledge that [redacted] is visiting JOSEPH BONANNO, SR. on a regular basis.

Source advised that [redacted] has regular contact with JOE BONANNO, SR. and that the source visited [redacted] to ensure source could contact and conduct specific dealings with individuals in the Phoenix, Arizona area.

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FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ AIRTEL

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 12/3/93

FM FBI PHOENIX (92A-PX-46584) (P)

TO DIRECTOR FBI/PRIORITY/

FBI CHICAGO/PRIORITY/

FBI CLEVELAND/PRIORITY/

FBI BUFFALO/PRIORITY/

FBI NEW YORK/PRIORITY/

FBI PITTSBURGH/PRIORITY/

FBI MINNEAPOLIS/PRIORITY/

FBI SAN FRANCISCO/PRIORITY/

BT

UNCLAS

CITE: //3630:0003//

PASS: FBIHQ - SSA [REDACTED] UNIT, CID;

CHICAGO - SA [REDACTED] CLEVELAND - SA [REDACTED] SQUAD 2;

NEW YORK - SA [REDACTED] PITTSBURGH - SA [REDACTED]

SQUAD 3; MINNEAPOLIS - SA [REDACTED]

SAN FRANCISCO - SA [REDACTED] SAN JOSE RA.

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Approved: JFA / [Signature]

JCB:llr

Original filename: I:\92\PX46584\LLR001W.337

Time Received: 2315

Telprep filename: A:\LLR001SP.337

MRI/JULIAN DATE: 261/262/337

ISN: 3/4

FOX DATE & TIME OF ACCEPTANCE: [Signature]

Section
 teletype
 92A-PX 46584-99

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SUBJECT: LA COSA NOSTRA (LCN) FAMILY CRIMINAL ACTIVITY IN THE
PHOENIX DIVISION; REI (A); OO: PHOENIX.

FOR INFORMATION OF THE BUREAU, THE PHOENIX DIVISION
RECENTLY CONDUCTED A SURVEY TO IDENTIFY ORGANIZED CRIME
ENTERPRISES WITH A PRESENCE IN THIS TERRITORY. IT WAS
DETERMINED THAT LCN FAMILIES FROM CHICAGO, NEW YORK,
CLEVELAND, PITTSBURGH, AND BUFFALO/ROCHESTER ALL HAVE A
PRESENCE IN THE PHOENIX DIVISION TERRITORY AND ARE CURRENTLY
ENGAGED IN A VARIETY OF CRIMINAL ACTIVITY TO INCLUDE GAMBLING,
DRUGS, ITSP, EXTORTION, AND FRAUD SCHEMES.

PHOENIX HAS ADDRESSED THE ORGANIZED CRIME PROGRAM, FOR
THE MOST PART, THROUGH THE RACKETEERING ENTERPRISE
INVESTIGATION (REI). AT THE SAME TIME, PHOENIX HAS SOUGHT TO
DEVELOP A BROADER BASE OF INTELLIGENCE THROUGH SOURCE
CULTIVATION AND INCREASED LIAISON WITH STATE AND LOCAL
AGENCIES.

BELOW IS A CONCISE DESCRIPTION OF EACH OC MATTER
CURRENTLY UNDER INVESTIGATION IN THIS DIVISION:

1. [REDACTED] ET AL, OC/DI INVESTIGATION;
LCN - ROCHESTER FAMILY; OO: PHOENIX (281A-PX-46114).

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FRANK VALENTI, FORMER LCN BOSS OF ROCHESTER, NEW YORK,
AND [REDACTED] A HIGH-LEVEL CLEVELAND LCN ASSOCIATE, ARE
CURRENTLY RESIDING IN PHOENIX. VALENTI, [REDACTED] AND SEVERAL
OF THEIR ASSOCIATES MEET REGULARLY AT VARIOUS PHOENIX
RESTAURANTS AND SOCIAL CLUBS. PEN REGISTER COVERAGE HAS SHOWN
VALENTI IN REGULAR CONTACT WITH SEVERAL LCN MEMBERS AND
ASSOCIATES. IN PARTICULAR, VALENTI HAS MADE CALLS TO [REDACTED]
[REDACTED] IN SUBURBAN CLEVELAND. SOURCE INFORMATION AND
INVESTIGATION POINTS TO THE POSSIBILITY THAT VALENTI, [REDACTED]
ET AL, ARE [REDACTED]
[REDACTED] IN ADDITION TO THOSE THEY ALREADY POSSESS. PHOENIX
SUSPECTS THE GROUP WILL ENDEAVOR TO PLACE THESE MACHINES ON
ONE OR MORE OF THE MANY INDIAN RESERVATIONS HAVING STATE
COMPACTED CASINO GAMBLING.

MEMBERS OF THIS GROUP ARE ALSO ENGAGED IN OBTAINING
CHECKS FROM A SCOTTSDALE, ARIZONA, COMPANY [REDACTED]

[REDACTED]
[REDACTED] VALENTI.

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THE PRIMARY OBJECTIVE IN THIS CASE IS TO ESTABLISH SUFFICIENT PROBABLE CAUSE TO OBTAIN TITLE III MISUR COVERAGE OF THE REGULAR MEETINGS OF THIS GROUP.

2. [REDACTED] AKA; ET AL; OC/DI - LCN - CHICAGO;
OO: PHOENIX (281A-PX-50786).

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THIS MATTER CONCERNS THE BURGLARY OF A SCOTTSDALE GEM DEALER'S BUSINESS ON 5/15/93 WHEREIN APPROXIMATELY 1/2 MILLION DOLLARS IN JEWELRY, GEMS, CASH, AND GOLD KRUGERANDS WERE TAKEN. THE ALARM SYSTEM WAS DEFEATED, AND THE SAFE WAS DRILLED TO REMOVE THE CONTENTS. THE MANNER SUGGESTED IT WAS CARRIED OUT BY PROFESSIONAL BURGLARS/SAFE CRACKERS. LOCAL POLICE INVESTIGATION FAILED TO DEVELOP ANY SUSPECTS.

ON 10/1/93, A MINNEAPOLIS ATTORNEY, REPRESENTING [REDACTED]
[REDACTED] A KNOWN MINNEAPOLIS BURGLAR AND THIEF, TURNED OVER TO THE MINNEAPOLIS DIVISION A QUANTITY OF GEMS IDENTIFIED AS HAVING BEEN TAKEN IN THE SCOTTSDALE BURGLARY. [REDACTED]
ATTEMPTED TO SELL THE GEMS IN CHICAGO TO A LEGITIMATE GEM DEALER AND LEARNED THEY WERE STOLEN. [REDACTED] CLAIMS, THROUGH HIS ATTORNEY, HE BOUGHT THEM IN A LAS VEGAS CASINO FOR \$10,000. MINNEAPOLIS AND CHICAGO DIVISIONS HAVE BOTH PROVIDED

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SOURCE INFORMATION THAT THE BURGLARY WAS CARRIED OUT BY THE CHICAGO LCN BURGLARY CREW RUN BY [REDACTED] A SCOTTSDALE RESIDENT.

ALSO INVOLVED WERE [REDACTED] A WELL-KNOWN ALARM EXPERT FROM THE SAME CREW, AND AT LEAST TWO OTHERS.

EVIDENCE IS BEING PRESENTED TO A FEDERAL GRAND JURY IN PHOENIX, AND INVESTIGATION IS BEING CLOSELY COORDINATED WITH CHICAGO AND MINNEAPOLIS.

3. [REDACTED]
[REDACTED]

OC/DI - LCN - PITTSBURGH FAMILY; OO: PHOENIX (281A-PX-50956).

SUBJECT [REDACTED] WAS INVOLVED IN DEFRAUDING PHOENIX AREA BANKS AND BUSINESSES OF APPROXIMATELY \$1.5 MILLION AFTER HIS ARRIVAL IN PHOENIX FROM PITTSBURGH, PENNSYLVANIA, IN 1987. [REDACTED] USED FRAUDULENT DOCUMENTS, SUCH AS TAX RETURNS, TO OBTAIN NUMEROUS BANK LOANS HE HAS SINCE DEFAULTED ON.

IN 1987, [REDACTED] PURCHASED A RESTAURANT IN CAVE CREEK, ARIZONA, ALONG WITH [REDACTED] A PITTSBURGH BOOKMAKER. PRIOR TO THIS, [REDACTED] OPERATED AN ITALIAN RESTAURANT IN

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PITTSBURGH BY THE SAME NAME, WHICH WAS FREQUENTED BY OTHER
PITTSBURGH LCN MEMBERS AND ASSOCIATES.

[REDACTED] DESPITE NUMEROUS FINANCIAL PROBLEMS,
CONTINUES TO OPERATE HIS RESTAURANT IN [REDACTED]
CARRY LARGE SUMS OF CASH, AND MAKE FREQUENT TRIPS TO
PITTSBURGH. HE IS ASSOCIATED WITH PITTSBURGH LCN FIGURES [REDACTED]
[REDACTED] AND
[REDACTED] PIACQUADIO'S
RESTAURANT IN PITTSBURGH, [REDACTED] CONTROLLED THE
GAMBLING, BOOKMAKING, AND NUMBERS ACTIVITY AT THAT LOCATION.

IN PHOENIX, [REDACTED] IS A [REDACTED] OF
[REDACTED] AND ALLOWS [REDACTED] TO USE THE
TELEPHONES IN HIS RESTAURANT TO ACCEPT WAGERS. [REDACTED] IS
PRESENTLY INVOLVED IN AN 800 NUMBER BOOKMAKING OPERATION
CENTERED IN NEW YORK CITY. THIS OPERATION WAS RECENTLY RAIDED
BY THE FBI IN NEW YORK.

SOURCE INFORMATION INDICATES [REDACTED] IS ALSO INVOLVED
IN DRUG-TRAFFICKING [REDACTED] AND IS ASSOCIATING WITH
KNOWN COCAINE DISTRIBUTORS. THE SOURCE ALSO RELATED THAT IN
1989, [REDACTED] WAS VISITED BY JOSEPH BONANNO OF TUCSON.

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WAS IN TUCSON IN MID-JUNE 1993. FOLLOW-UP INVESTIGATION RE [REDACTED] HAS REVEALED THAT A LONG-ESTABLISHED PIPELINE FOR MARIJUANA EXISTS BETWEEN NEW YORK LCN FIGURES AND MEXICAN TRAFFICKERS IN AND AROUND TUCSON.

PHOENIX HAS ENLISTED THE COOPERATION OF THE MARICOPA COUNTY, ARIZONA, ATTORNEY'S OFFICE TO PRESSURE [REDACTED] [REDACTED] TO COOPERATE WITH THE FBI IN LIGHT OF HIS PENDING DRUG CHARGES. HOPEFULLY, [REDACTED] WILL SHED LIGHT ON THE ABOVE TUCSON-NEW YORK MARIJUANA CONNECTION, AS WELL AS ASSIST IN LOCATING FUGITIVE [REDACTED]

5. NEW YORK TEMPTATIONS; REI (A); OO: PHOENIX (92A-PX-46584).

A RESTAURANT RECENTLY OPENED IN TEMPE, ARIZONA, CALLED NEW YORK TEMPTATIONS. [REDACTED] [REDACTED] FROM CALIFORNIA. [REDACTED] [REDACTED] FORMERLY WORKED FOR A SAN JOSE, CALIFORNIA, MOB ASSOCIATE NAMED [REDACTED] [REDACTED] PERRONE'S BAR AND GRILL IN THE IMMEDIATE VICINITY OF NEW YORK TEMPTATIONS. [REDACTED] IS KNOWN TO BE AN ASSOCIATE OF JOSEPH BONANNO OF TUCSON. FURTHER INVESTIGATION

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REVEALED THAT THE [REDACTED] SHOWN ON THE APPLICATION FOR LIQUOR LICENSE FOR NEW YORK TEMPTATIONS WAS [REDACTED] [REDACTED] SALVATORE "BILL" BONANNO, THE SON OF JOSEPH BONANNO, FORMER NEW YORK LCN BOSS.

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PHOENIX IS WORKING WITH LOCAL POLICE AGENCIES TO FURTHER IDENTIFY [REDACTED] AND FOLLOW THE ACTIVITIES OF [REDACTED] ET AL IN THIS NEW BUSINESS. PHOENIX PRESENTLY HAS PEN REGISTER COVERAGE OF THE RESTAURANT.

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IN ADDITION TO THE ABOVE TRADITIONAL ORGANIZED CRIME CASES, PHOENIX HAS DIRECTED ATTENTION TO INDIAN GAMING MATTERS IN VIEW OF THE 16 STATE-APPROVED GAMING COMPACTS WITH INDIAN TRIBES THROUGHOUT THE STATE. PRESENTLY, THIS DIVISION PARTICIPATES IN A LAW ENFORCEMENT TASK FORCE COMPRISED OF REPRESENTATIVES OF THE U.S. ATTORNEY'S OFFICE, BUREAU OF INDIAN AFFAIRS, ARIZONA DEPARTMENT OF PUBLIC SAFETY, ARIZONA STATE GAMING COMMISSION, AND VARIOUS TRIBAL POLICE OFFICERS. THIS DIVISION CONTINUALLY MONITORS THE GAMING SITUATION ON BOTH A STATE AND NATIONAL SCALE IN ORDER TO KEEP ABREAST OF CRIME-RELATED TRENDS IN THE INDUSTRY. AN ADEQUATE INTELLIGENCE BASE IS BEING ESTABLISHED TO IDENTIFY ATTEMPTS BY

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ORGANIZED CRIME ELEMENTS TO INFILTRATE GAMING OPERATIONS. TO THIS END, PHOENIX RECENTLY DEVELOPED A GAMING SOURCE WHO HAS PROVIDED INFORMATION OF VALUE TO THIS AND OTHER DIVISIONS, SPECIFICALLY NEW ORLEANS.

AS A RESULT OF THE ABOVE INITIATIVES AND IN LIGHT OF MANPOWER CONSTRAINTS, PHOENIX IS CONSIDERING THE ESTABLISHMENT OF A WORKING ORGANIZED CRIME TASK FORCE COMPRISED OF STATE AND LOCAL AGENCIES HAVING AN INTEREST IN SUCH PARTICIPATION. THIS WOULD ALLOW PHOENIX TO MORE EFFECTIVELY ADDRESS THE ORGANIZED CRIME PROBLEMS IDENTIFIED ABOVE.

BT

Memorandum



To : SAC, PHOENIX (92A-PX-46584) (P)

Date 12/20/93

From : SA [redacted]

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Subject: LA COSA NOSTRA (LCN)
FAMILY CRIMINAL ACTIVITY IN
PHOENIX DIVISION;
RACKETEERING ENTERPRISE INVESTIGATION;
REI (A);
OO: PHOENIX

On December 15, 1993, Investigator [redacted] and [redacted]
[redacted] Tucson, Arizona, contacted the Tucson
Resident agency requesting assistance relative to an ongoing
investigation that their department has been involved in.

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[redacted] is to substantiate or
dispel the possible connection between [redacted] in
Tucson with organized crime factions in Arizona and the United
States.

Two principals in this company are [redacted]
[redacted] and [redacted] residence of [redacted]
[redacted] telephone number [redacted] Another telephone at
that address, [redacted] is listed to [redacted]

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On December 17, 1993, [redacted] provided FBI Tucson
[redacted] showing connection
between [redacted] and the JOSEPH BONANNO, SR.
family/associates. Connection with other organized crime
faction/enterprises are also noted. [redacted]

② - Phoenix
MDZ:mam
(2)

1 copy
in 66-17148

For info -
SA
ST
[redacted]

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FBI - PHOENIX	

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Bonanno La Cosa Nostra Family

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Bonanno LCN Family Capos

[redacted] was just added to the LCN Index, as he only recently satisfied Bureau criteria for inclusion in the Index. However, surveillance of his activities over time makes it clear he is a Capo. His primary activities are loansharking and gambling.

[redacted] Bonanno LCN Family Capo, remains incarcerated on his RICO conviction.

[redacted]
brother. He and several members of his crew were arrested by the Miami Division in February, 1993 and he was detained pending trial on RICO charges. He was recently sentenced to a year and a day on a plea of guilty to marijuana distribution charges in the Eastern District of New York.

[redacted] Bonanno LCN Family Capo, was sentenced upon a plea of guilty to tax charges. He was scheduled to begin serving a three-year sentence at the Federal Correctional Institution, McKean, Pa. on October 23, 1992.

[redacted] has been identified by top level cooperating witnesses as a Capo who is involved in loansharking and gambling.

[redacted] entered a guilty plea in the Manhattan District Attorney's Office probe of racketeering activity in the New York metropolitan area newspaper industry, and is awaiting sentencing.

John Faraci, reportedly an acting Capo, continues to traffic in stolen art and stolen bonds, and operates a lucrative loansharking and gambling enterprise in Brooklyn and Manhattan, New York.

[redacted] entered a guilty plea in the Manhattan District Attorney's Office probe of racketeering activity in the New York metropolitan area newspaper industry, and is awaiting sentencing.

[redacted] Bonanno LCN Family Capo, is on probation, following a three year sentence for tax evasion. [redacted] who served as Acting Capo in [redacted] absence, was himself convicted upon a plea of guilty to possession of two kilos of heroin and has begun to serve a state sentence.